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## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92053336
Party	Plaintiff Braztech International, L.C.
Correspondence Address	KERRI A HOCHGESANG SMITH GAMBRELL & RUSSELL LLP SUITE 3100 PROMENADE II, 1230 PEACHTREE STREET NE ATLANTA, GA 30309-3592 UNITED STATES khochgesang@sgrlaw.com, mbedsole@sgrlaw.com
Submission	Opposition/Response to Motion
Filer's Name	Kerri A. Hochgesang
Filer's e-mail	khochgesang@sgrlaw.com
Signature	/ Kerri A. Hochgesang/
Date	06/15/2011
Attachments	Cancellation Sus Motion.pdf ( 2 pages )(8573 bytes ) Cancellation Sus Brief.pdf ( 7 pages )(34105 bytes )

047502.009

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Filed: April 17, 2008			
Registration Date: June	2009		
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Braztech International,	L.C.	)	
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	Petitioner,	)	
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VS.		,	Cancellation No. 92033330
		)	
J.B. Custom, Inc.		)	
		)	
	Registrant.	Ś	
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In the Matter of Trademark Registration No. 3,645,700

# MOTION IN OPPOSITION TO REGISTRANT'S MOTION TO SUSPEND CANCELLATION PROCEEDINGS and MOTION FOR AN EXPEDITED DECISION

COMES NOW, Petitioner Braztech International, L.C. ("Braztech"), and files this Motion in Opposition to Registrant's Motion to Suspend Cancellation Proceedings and Motion for an Expedited Decision, and in support thereof, files its Memorandum of Law in Support of said Motions.

WHEREFORE, Braztech respectfully requests that the Board DENY the Registrant's Motion to Suspend, and EXPEDITE its decision with regard to the present Motion.

This 15<sup>th</sup> Day of June, 2011.

1

s/ Kerri A. Hochgesang Kerri A. Hochgesang

Smith, Gambrell & Russell LLP 1230 Peachtree St. NE, Suite 3100 Atlanta, GA 30309-3592 Phone: 404.815.3672

Fax: 404.685.6972

Email: <u>khochgesang@sgrlaw.com</u>

Attorneys for Braztech International, L.C.

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this 15<sup>th</sup> day of June, 2011, served a copy of the foregoing via electronic mail, per express agreement, to:

Jeremy N. Gayed Barrett & McNagny, LLP 215 E. Berry St. Fort Wayne, IN 46802 jng@barrettlaw.com tmk@barrettlaw.com jlm@barrettlaw.com

s/ Kerri A. Hochgesang
Kerri A. Hochgesang

047502.009

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Filed: April 17, 2008	- 20, 2000		
Registration Date: June	30, 2009		
Braztech International, L.C.		)	
		)	
	Petitioner,	)	
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VS.		)	Cancellation No. 92053336
J.B. Custom, Inc.		)	
J.B. Custom, mc.		)	
	Registrant.	)	
	Registrant.	)	

In the Matter of Trademark Registration No. 3,645,700

# MEMORANDUM OF LAW IN SUPPORT OF MOTION IN OPPOSITION TO REGISTRANT'S MOTION TO SUSPEND CANCELLATION PROCEEDINGS AND MOTION FOR AN EXPEDITED DECISION

COMES NOW, Petitioner Braztech International, L.C. ("Braztech"), and files this Memorandum of Law in Support of Motion in Opposition to Registrant's Motion to Suspend Cancellation Proceedings and Motion for an Expedited Decision, and in support thereof, states as follows:

### **BACKGROUND AND FACTS**

#### The Federal Lawsuit

Braztech is a Florida Limited Liability Company headquartered in Miami, Florida. Braztech imports and sells mare's leg-type firearms in the United States. Braztech has not obtained a Certificate of Authority from the Secretary of State of Indiana, and at this time believes it is not required to do so. On September 9, 2010 Registrant, an Indiana resident, filed a

1

complaint against Braztech and three other defendants in the Federal District Court for the Northern District of Indiana (the "Lawsuit"). The Lawsuit purportedly alleged various claims against the defendants under the Lanham Act relating to Registration No. 3,645,700 (the "Mark"). Braztech and another defendant ("Defendant TIMI") moved to dismiss the Lawsuit for improper venue and failure to state a claim upon which relief can be granted under Rule 12, and the remaining defendants (the "Brazilian Defendants") moved to dismiss under Rule 12 for improper service of process. On November 30, 2010, Braztech filed its Petition to Cancel the Mark (the "Cancellation"), and on January 13, 2011, the Lawsuit was dismissed without prejudice with regard to Braztech and TIMI.

A First Amended Complaint was filed by Registrant against Braztech, and then a Second Amended Complaint was filed to supersede the First Amended Complaint on March 22, 2011 before responsive pleadings were served. The Second Amended Complaint again purportedly alleged claims against the defendants relating to infringement of the Mark and other claims under the Lanham Act. The service attempted on the Brazilian Defendants has recently been quashed. Braztech and TIMI have not answered the Second Amended Complaint, and have again moved to dismiss the Lawsuit under Rule 12 for lack of subject matter jurisdiction, lack of personal jurisdiction, improper venue, and failure to state a claim upon which relief can be granted. These motions are currently in the briefing stage, and Braztech has a reasonable belief that the Lawsuit will again be dismissed.

#### The Cancellation

For the purposes of the Cancellation, Braztech attempted to schedule the deposition of the Registrant in late April, which attempt was refused. Braztech noticed the deposition of Registrant on May 18, 2011 to occur at the end of the month, but counsel for Registrant claimed

complete unavailability, as well as unavailability of other members of his law firm, until June 24, 2011. The deposition is currently scheduled to occur on this date. On June 10, 2011, Registrant filed its Motion to Suspend, and on June 14, 2011, counsel for Braztech received correspondence from counsel for Registrant stating that Braztech should "consider the June 24 date for the depositions of J.B. Custom/Jim Buchanan cancelled". Discovery in this case ends on August 8, 2011.

#### **ARGUMENT**

The Board should refuse to suspend the Cancellation merely because a complaint has been served upon Braztech in connection with the Lawsuit. The Lawsuit and the Cancellation do not share common claims or overlapping issues. Further, the Lawsuit is in such a preliminary state that it would be premature to speculate which issues will be involved by the time Braztech files an answer; assuming it must ever file an answer. Additionally, Registrant should be prohibited from avoiding its deposition to the detriment of Braztech merely for the purpose of prolonging the registered status of its invalid Mark. Taken together, these facts show that the Lawsuit does not and will not have any bearing on the Cancellation, and thus there is no basis for suspension of the proceedings.

Registrant is unable to show that any of the claims purportedly alleged in the Lawsuit either overlap or have any bearing on the Cancellation. Other than the mere involvement of two common parties and the Mark, (at least for the time being), there is no commonality whatsoever between the proceedings. The Federal Circuit has concluded that when a defendant has not asserted a counterclaim for cancellation, a lawsuit alleging infringement of a registered trademark owned by plaintiff does not assert the same legal and factual issues as a petition to

cancel the same mark; and thus the two proceedings are not "logically related." *Nasalok Coating Corp. v. Nylok Corp.*, 522 F.3d 1320, 1325 (Fed. Cir. 2008).

Petitioner does not cite to any law to support its contention that the Lawsuit bears on issues involved in this Cancellation. In an attempt to fill this void, Registrant misrepresents the facts to claim that Braztech's own allegations in the Petition form the basis for trademark infringement advanced in the Lawsuit: Braztech "has, and intends to, offer goods in commerce using the term "mare's leg" in a manner likely to cause confusion among consumer [sic]." This is contradicted by the very words of the Petition. It states clearly in paragraphs 3-5 that Braztech desires to use the phrase "mare's leg" to describe its firearms, that is has a right to use this designation to describe its goods, and that it has already been damaged because the registration of the Mark impairs Braztech's legal right to refer to its goods (which goods Braztech will continue to import and sell) by their common and descriptive name. In fact, the Petition states exactly the opposite of what Registrant claims. Braztech's desire to legally use a generic designation to describe the corresponding goods that it sells has no bearing on whether Braztech is an infringer of Registrant's Mark.

At this preliminary state in the Lawsuit, it is impossible for the Board to conclude that Lawsuit will has any bearing on the Cancellation. Obviously, because Braztech has not yet answered, there are no counterclaims for cancellation of the Mark due to invalidity on any ground asserted in the Cancellation that are pending in the Lawsuit. Motions to dismiss, however, *are pending* in the Lawsuit, and therefore it is impossible to ascertain at this time what claims, if any, will be at issue in the Lawsuit. It is in fact impossible to predict whether Braztech will be involved in the Lawsuit at all if it proceeds.

Even assuming *arguendo* that any claims of the Second Amended Complaint survive the pending motions to dismiss, there are no issues in the Lawsuit and no controversies relating to the validity, ownership, exclusive rights, or any other aspects of the Mark itself. In fact, Braztech does not at this time plan to raise the defense of invalidity of the Mark by asserting a counterclaim for cancellation in the Lawsuit. Although Braztech could assert a counterclaim cancellation of the Mark due to invalidity, such a counterclaim is permissive, not compulsory. *Nasalok Coating Corp. v. Nylok Corp.*, 522 F.3d 1320, 1325 (Fed. Cir. 2008).

The law in Indiana applicable to the Lawsuit further highlights the presumptiveness of Registrant's statement, that "Genericity [and other grounds asserted in this Cancellation] will necessarily be decided in the civil action in connection with Registrant's claims of Petitioner's infringement." The Lawsuit purports to allege that Braztech is transacting business in the state of Indiana. Thus, Braztech would be precluded from initiating a suit or asserting a non-compulsory counterclaim in an Indiana court under IC 23-1-49-1 prior to obtaining a Certificate of Authority. Braztech has not obtained this Certificate, and cannot counterclaim for cancellation if it is "transacting business" in Indiana. If Braztech is not "transacting business" in Indiana, the Lawsuit will fail for lack of personal jurisdiction. Either way, Braztech's only remedy for cancellation of the Mark is in the TTAB. To conclude otherwise would be speculative at best, and would more likely be completely false.

Registrant's attempts to suspend the Cancellation are a dilatory tactic and a thinly-veiled attempt to avoid any discovery that is likely to be devastating to the continued registration of the Mark. A suspension would likewise be prejudicial to Braztech because it has spent considerable time and resources in the proceeding, and because it needs to expeditiously establish its legal right to use the generic term "mare's leg" to describe the goods that it sells. The Lawsuit has

been pending for almost seven months since the filing of the Cancellation, and Registrant could have easily moved to suspend at that time.

Registrant also boldly reasons that because no dispositive motions have been filed in this matter, the Board should suspend the Cancellation in favor of the Lawsuit. Registrant, however, has stonewalled Braztech and used its dilatory tactics to render it unable to file any dispositive motions. Plainly, Registrant is manipulating the process of the Cancellation to avoid a damaging deposition and to indefinitely dodge a dispositive motion. The Board should refuse to allow a party to use motions practice simply to suit its own ends.

The Board therefore has no reasonable basis for suspending the Cancellation. Rather than bearing on issues involved in the Cancellation, the Lawsuit for trademark infringement bears no logical relation to allegations genericness, fraud, or abandonment of the Mark. The preliminary and uncertain nature of the Lawsuit in fact makes it impossible to predict whether the proceedings are sufficiently related. Finally, the Board should not allow Registrant to unilaterally halt a cancellation proceeding and avoid a deposition merely for the purpose of prolonging the registered status of its invalid Mark. The Board should recognize that Braztech has no other recourse for establishing a legal right needed for the successful sale of its goods; and Registrant should be given no recourse to facilitate its desire to further protract these proceedings. This Cancellation should proceed.

WHEREFORE, Braztech respectfully requests that the Board DENY the Registrant's Motion to Suspend and to EXPEDITE its ruling on the subject motion such that Braztech can continue with its scheduled deposition of Registrant on June 24, 2011.

Respectfully submitted, this 15<sup>th</sup> Day of June, 2011.

s/ Kerri A. Hochgesang Kerri A. Hochgesang

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Fax: 404.685.6972

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